

Claims

1. A method of creating an investment portfolio, comprising the acts of:

5 selecting a number of individual financial instruments publicly traded on an exchange;

allocating individual weight coefficients corresponding said selected financial instruments by giving a larger allocation to an instrument having a larger capitalization and giving a smaller allocation for an instrument having a smaller capitalization in said number of said financial instruments, wherein the ratio of a largest weight coefficient and a smallest weight is limited by a selected maximum;

10 purchasing said selected financial instruments based on said weight coefficients representing relative values between said individual financial instruments; and

15 maintaining substantially said purchased financial instruments for a selected time period regardless of market conditions.

2. A method of creating an investment portfolio, comprising the acts of:

20 selecting a number of stocks publicly traded on a stock exchange, said number of stocks being larger than about 50;

allocating individual weight coefficients corresponding said selected stocks;

25 purchasing said selected stocks based on said weight coefficients representing relative values between said individual stocks; and

maintaining substantially said purchased stocks for a selected time period regardless of a market capitalization of any of said stocks.

30 3. The method of claim 1 wherein said selected maximum is 100.

4. The method of claim 1 or 2 wherein said maintaining substantially includes allowing reinvestment of dividends.

5. The method of claim 1 or 2 wherein said maintaining substantially includes receiving new shares from spin-offs, mergers or acquisitions without subsequent selling for said selected time period.

6. The method of claim 1 or 2 wherein said maintaining substantially includes putting cash proceeds into a money market fund.

7. The method of claim 1 or 2 wherein said maintaining substantially includes distributing proceeds to investors.

8. The method of claim 1 or 2 wherein said selecting includes identifying stocks of 1000 largest publicly traded companies.

9. The method of claim 1 or 2 wherein said selecting includes identifying stocks of 3000 largest publicly traded companies and choosing a market segment.

10. The method of claim 1 or 2 wherein said selecting includes identifying stocks of 5000 largest publicly traded companies and choosing a market segment.

11. The method of claim 1 or 2 wherein said selecting includes identifying stocks from a particular sector.

12. The method of claim 11 wherein said sector is one of the following: technology, biotechnology, health care, information technology, telecommunications, semiconductor, energy, utilities, transportation, or other sectors.

13. The method of claim 1 or 2 wherein allocating includes dividing said selected stocks into three groups based on their market capitalization and allocating the same weight coefficient for all said stocks in each said group.

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14. The method of claim 13 wherein the first, second and third group includes 20 percent, 60 percent, and 20 percent, respectively, of said number of stocks.

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15. The method of claim 14 said weight coefficients of said stocks in said first group and said third group provide 3 to 1 purchase price allocation.

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16. The method of claim 15 said weight coefficients of said stocks in said second group and said third group provide 2 to 1 purchase price allocation.

17. The method of claim 1 wherein said financial instrument includes one of the following: common stocks, derivatives, stock options, commodity futures, or bonds

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18. The method of claim 1 or 2 further including creating a mutual fund.

19. The method of claim 1 or 2 further includes creating a closed-end fund.

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20. The method of claim 1 or 2 further includes creating a unit investment trust.

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21. An asset portfolio, comprising a number of publicly traded financial instruments purchased according to corresponding individual weight coefficients allocated by giving a largest weight coefficient to an instrument having a largest market capitalization and giving a smallest weight coefficients to an instrument

having a smallest market capitalization in said number of said financial instruments, wherein the ratio of said largest weight coefficient and said smallest weight coefficient is limited by a selected maximum; said initially purchased financial instruments are substantially maintained for a selected number of years
5 regardless of market conditions.

22. An asset portfolio, comprising a number of at least fifty publicly traded stocks purchased according to corresponding individual weight coefficients representing relative values between said stocks, wherein said
10 initially purchased stocks are substantially maintained for an initially selected number of years regardless of a market capitalization of any of said stocks.

23. The asset portfolio of claim 21 wherein said selected maximum is
15 100.

24. The asset portfolio of claim 21 wherein said instruments are purchased over time based on said initially allocated weights.

25. The asset portfolio of claim 22 wherein said stocks are purchased
20 over time based on said initially allocated weights.

26. The asset portfolio of claim 21 wherein said instruments are selected from 1000 largest publicly traded companies.

27. The asset portfolio of claim 21 wherein said instruments are selected from 3000 largest publicly traded companies by choosing a market
25 segment.

28. The asset portfolio of claim 21 wherein said instruments are
30 selected from 5000 largest publicly traded companies by choosing a market segment.

29. The asset portfolio of claim 22 wherein said instruments are selected from 1000 largest publicly traded companies.

5 30. The asset portfolio of claim 22 wherein said stocks are selected from 3000 largest publicly traded companies by choosing a market segment.

31. The asset portfolio of claim 22 wherein said stocks are selected from 5000 largest publicly traded companies by choosing a market segment.

10 32. The asset portfolio of claim 21 or 22 wherein said weights are equal.

15 33. The asset portfolio of claim 21 or 22 created in form of a mutual fund.

34. The asset portfolio of claim 21 or 22 created in form of a closed-end fund.

20 35. The asset portfolio of claim 21 or 22 created in form of a unit investment trust.

25 36. The asset portfolio of claim 21 wherein said financial instrument includes one of the following: common stocks, derivatives, stock options, commodity futures, bonds.

30 37. An system for creating an investment portfolio, comprising
an interface for connecting to a database including a number of publicly traded financial instruments;
a computer system including a processor for determining individual weight coefficients allocated by giving a largest weight coefficient to an instrument

having a largest market capitalization and giving a smallest weight coefficients to an instrument having a smallest market capitalization in said number of said financial instruments, wherein the ratio of said largest weight coefficient and said smallest weight coefficient is limited by a selected maximum; and

5 said computer system being arranged to perform a purchase of selected financial instruments according to said individual weight coefficients.

38. The system of claim 37 wherein said computer system is arranged to calculate a net asset value of said financial instruments.

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39. A computer program product stored on a computer readable medium comprising a representation of a number of at least fifty publicly traded stocks purchased according to corresponding individual weight coefficients allocated by arranging said selected stocks based on their market capitalization, wherein one third of said selected stocks with a smallest market capitalization is allocated corresponding weight coefficients that assure at least fifteen percent of the entire value of all said stocks for said one third of said stocks.

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40. A computer program product stored on a computer readable medium comprising an algorithm arranged to perform the method of claim 1 or 2.

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